

## FIRST SUPPLEMENT TO THE BASE PROSPECTUS

Dated 14 October 2022

This first supplement (Supplement) is supplemental to, forms part of and must be read and construed in conjunction with, the Base Prospectus dated 06.04.2022 in respect to EUR 20 000 000 (twenty million euro) Note Programme (Base Prospectus) and constitutes a supplement for the purposes of Article 23 of Regulation (EU) No. 2017/1129 (Prospectus Regulation).

**Issuer:** SIA Mintos Finance No.1, incorporated as a limited liability company and registered in the Republic of Latvia with the registration number 40203387618.

**Lending Company:** Primero Finance OÜ (formerly mogo OÜ), a private limited company (*osaühing*) established on 8 January 2013 in accordance with laws of the Republic of Estonia with registration number 12401448 and registered address at Harju maakond, Tallinn, Kesklinna linnaosa, Pärnu mnt 102b, 11312, Republic of Estonia.

Base Prospectus approved by the shareholder of the Issuer on 06.04.2022.

Base Prospectus approved by Financial and Capital Market Commission (FCMC) on 26.04.2022.

### GENERAL INFORMATION

Terms specified in capital letters, yet not explained herein are explained in the Base Prospectus.

This Supplement has been approved by the FCMC as competent authority in the Republic of Latvia under the Prospectus Regulation. FCMC only approves this Supplement, as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such an approval should not be considered as an endorsement of the Issuer or the quality of the Notes that are the subject of the Base Prospectus (as supplemented by this Supplement). To the best of the knowledge of the Issuer the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The purpose of this Supplement is to amend the Base Prospectus by adding description of the Lending Company's new product and its related information in sections '7. THE LENDING COMPANY' and '8. THE LOANS', as well as updating information on Mintos in section '1. GENERAL DESCRIPTION' and updating information on the Lending Company's and the Guarantor's latest financial information in sections '7. THE LENDING COMPANY' and '9. THE GUARANTOR' accordingly.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements referred to in (a) shall prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus has arisen or been noted since the publication of the Base Prospectus.

## AMENDMENTS TO THE BASE PROSPECTUS

With effect from the date of this Supplement, the information appearing in the Base Prospectus shall be amended and/or supplemented in the manner described below:

- 1) On page 5 of the Base Prospectus definitions “*Lending Company*” and “*Loan Agreement*” are adjusted as follows, whereby added text is printed in **blue and underlined**:

**Lending Company** Primero Finance OÜ (formerly mogo OÜ), a private limited company (osaühing) established on 8 January 2013 in accordance with laws of the Republic of Estonia with registration number 12401448 and registered address at Harju maakond, Tallinn, Kesklinna linnaosa, Pärnu mnt 102b, 11312, Republic of Estonia.

**Loan Agreement** each loan and collateral, if any, agreement between the Lending Company and the Borrower as specified in the applicable Final Terms.

- 2) On page 7 of the Base Prospectus in section ‘1. GENERAL DESCRIPTION’ entire sub-section ‘*What is Mintos?*’ is replaced with the new wording:

Mintos established an online platform for investing in loans in 2015. Through the Platform, owned and operated by Mintos, Mintos provides investors with convenient means to invest in loans issued by various lending companies around the world. In May 2022 on the Platform investments in loans were started being offered via financial instruments called notes.

At the end of September 2022, Mintos has over 480,000 registered users, and Mintos is working with more than 64 lending companies from 31 countries, offering investment opportunities in 6 currencies. Since Mintos was founded, investors through the Platform have invested more than EUR 8 billion. Mintos is authorized as an investment firm by the FCMC. See the section entitled ‘6. Mintos’ of this Base Prospectus for more information.

- 3) On page 26 of the Base Prospectus in section ‘4. TRANSACTION OVERVIEW’ fourth para of sub-subsection ‘*Transfer of the Loan Receivables by the Lending Company to the Issuer*’ of sub-section ‘*THE DESCRIPTION OF THE TRANSACTIONS IN RELATION TO THE NOTES*’ shall be modified as follows, whereby added text is printed in **blue and underlined** and deleted text is printed in **red and strikethrough**:

That means the Loan Receivables transferred to the Issuer and backing the Series have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes. The Lending Company retains in relation to each Loan (a) the ‘skin in the game’ in keeping ~~40%~~ 5% of the principal amount outstanding and (b) any collateral consisting of pledge rights and title to the relevant vehicle, if any.

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4) Everywhere in the Base Prospectus words “*this Prospectus*” and “*the Prospectus*” must be read as “*this Base Prospectus*” and “*the Base Prospectus*” accordingly, and words “*mogo OÜ*” must be read as “*Primerio Finance OÜ*”.

5) In section ‘7. THE LENDING COMPANY’ of the Base Prospectus:

5.1. on page 41 sub-section’s ‘Loans’ first sentence of first para shall be modified as follows, whereby added text is printed in **blue and underlined** and deleted text is printed in **red and strikethrough**:

The ~~two~~ three main products of the Lending Company are (i) financial leasing, where the services of Primerio Finance OÜ ~~mogo OÜ~~ are used by customers to acquire the vehicles, ~~and~~ (ii) leaseback financing, where the customer uses his/her own vehicle as a security to obtain financing; and (iii) car loan, where customers obtain funding before purchasing the vehicle (customer needs to bring an ownership registration certificate in 30 days, otherwise he is applicable for the fine).

5.2. On page 41 sub-section’s ‘Loans’ last para shall be modified by adding two more sentences, whereby added text is printed in **blue and underlined**:

The average loan amount for a car loan is EUR 4 500 and it ranges from EUR 500 to EUR 25 000. The average term of the car loan is 55 months, and their term range is 3 – 72 months.

5.3. On page 41 sub-section ‘Financial information’ is replaced with latest financial information entirely in respective wording:

The latest available audited historical financial information of the Lending Company prepared according to the International Financial Reporting Standards (IFRS) is available on Mintos website:

[Audited standalone financials 2020](#)

[Audited standalone financials 2021](#)

5.4. On page 41 sub-section ‘Loans issuance process’ shall be modified as follows, whereby added text is printed in **blue and underlined** and deleted text is printed in **red and strikethrough**:

The steps in the financial leasing, ~~and~~ leaseback and car loans underwriting process include, in order: (i) client’s application for a financing product, (ii) client’s registration and identification, (iii) risk assessment and scoring with respect to the client and the collateral, if any, and (iv) agreement on and issuance of the financing product.

5.5. On page 42 sub-section ‘Loans underwriting’ shall be modified as follows, whereby added text is printed in **blue and underlined** and deleted text is printed in **red and strikethrough**:

During the risk assessment and scoring evaluation stages, credit databases are checked, potential ~~b~~orrower’s income information analyzed, customer indebtedness calculated and evaluated. The ~~internally-developed~~ outsourced scoring tool, while taking into account parameters ~~designed~~ specific for ~~each~~ the local market and being in compliance with local regulatory requirements, gives a clear score that enables an informed granting decision. With the increase of the Loan portfolio, the scoring models are updated with newly available data.

- 5.6. On page 42 sub-section 'Loans issuance and disbursement' shall be modified as follows, whereby added text is printed in **blue and underlined**:

The Loan documentation is signed electronically by e-signature and also physically in the Lending Company branches. The Loan disbursement process depends on the product. In the case of the leaseback product, generally bank transfers are used, which are usually performed automatically by way of batch payments. For financial leasing products, after the Borrower has made a down-payment, the Lending Company makes a bank payment directly to the seller of the vehicle. In case of a car loan product, the funds are deposited directly in the Borrower's bank account.

- 5.7. On page 42 sub-section's 'Debt recovery management' last sentence of first para shall be modified as follows, whereby added text is printed in **blue and underlined** and deleted text is printed in **red and strikethrough**:

When the Lending Company assesses that the customer will not be able to continue a successful relationship, a quick and efficient repossession of the collateral, if any, and subsequent sale of it is strived while maintaining full transparency with the ~~b~~-Borrower about the process.

- 5.8. On page 43 sub-section's 'Debt recovery management' fourth sub-paragraph shall be modified as follows, whereby added text is printed in **blue and underlined** and deleted text is printed in **red and strikethrough**:

4) After vehicle repossession, the vehicle is put up for sale in the Lending Company's car lot. Before the sale, the car is repaired, washed and prepared for sale. The whole process, including car preparation until the sale of collateral, takes up to 80 days. In case of a car loan product, the repossession step is skipped. The outstanding debt (if any) is then recovered through an unsecured recovery process of the Lending Company and using debt collection services or sold to external debt recovery agencies (~~depending on the country~~).

- 6) In section '8. THE LOANS' of the Base Prospectus:

- 6.1. On page 45 fifth para of sub-section's 'Legal nature, jurisdiction and the applicable law of the Loans' shall be modified as follows, whereby added text is printed in **blue and underlined**:

In order to secure all the claims of the Lending Company arising from the Loan Agreement related to leaseback and financial leasing products, a collateral agreement is entered into between the Borrower and the Lending Company. On the basis of the collateral agreement, the Lending Company acquires the ownership of a motor vehicle or other movable property, which secures all the Lending Company's claims against the Borrower arising from the Loan Agreement and the collateral agreement.

- 6.2. On page 46 sub-section 'Loan portfolio data' is replaced entirely with the latest information:

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As of 30 June 2022, the Lending Company total vehicle portfolio of gross receivables was EUR 12.3M (leasing/ leaseback 9.1M, car loans 3.2M). Below is the cross-section of the Lending Company vehicle portfolio of Days Past Due (DPD), respectively, and Loan-to-Value (LTV). It can be pointed out that the current part of the vehicle leasing and leaseback total gross portfolio has remained above 75% for the previous six consecutive quarters, and the part of the portfolio that is overdue for longer than 60 days has been consistently under 10%. For the car loans the current portfolio is above 70% and the portfolio delayed by more than 90 days is below 10%.

## *Car Loans portfolio breakdown by DPD*

<b>Days Past Due</b>	<b>2021Q1</b>	<b>2021Q2</b>	<b>2021Q3</b>	<b>2021Q4</b>	<b>2022Q1</b>	<b>2022Q2</b>
Current %	-	-	-	87.30%	83.18%	72.57%
1-30 days %	-	-	-	9.86%	9.18%	10.65%
31-60 days %	-	-	-	1.63%	5.40%	5.71%
61-90 days %	-	-	-	1.21%	1.13%	4.22%
91-180 days %	-	-	-	0.00%	1.11%	6.85%
>180 days %	-	-	-	0%	0%	0%

## *Vehicle leasing Loans portfolio breakdown by DPD*

<b>Days Past Due</b>	<b>2021Q1</b>	<b>2021Q2</b>	<b>2021Q3</b>	<b>2021Q4</b>	<b>2022Q1</b>	<b>2022Q2</b>
Current %	72.73%	75.13%	81.49%	78.32%	77.17%	77.58%



1-30 days %	18.17%	18.67%	14.31%	18.01%	18.50%	17.43%
31-60 days %	2.47%	1.93%	1.37%	1.68%	2.24%	2.67%
61-90 days %	0.79%	1.04%	0.77%	0.82%	0.57%	1.21%
91-180 days %	1.94%	1.26%	0.76%	0.35%	0.68%	0.48%
>180 days %	3.90%	1.97%	1.31%	0.81%	0.84%	0.62%

In terms of LTV ratios, the vast majority of the Lending Company's vehicle leasing Loans fall above 80% Loans to value ratio, and the ratios have been consistently maintained for the past 6 quarters.

*Vehicle leasing Loans issuance breakdown by LTV*

<b>LTV</b>	<b>2021Q1</b>	<b>2021Q2</b>	<b>2021Q3</b>	<b>2021Q4</b>	<b>2022Q1</b>	<b>2022Q2</b>
<20%	0.2%	0.6%	0.1%	0.1%	0.7%	0.4%
20-50%	4.6%	5.1%	5.9%	11.6%	16.4%	11.9%
50-70%	9.2%	14.7%	14.6%	12.2%	22.5%	30.6%
70-80%	10.8%	9.2%	8.0%	5.7%	8.3%	11.7%
>80%	75.2%	70.5%	71.3%	70.5%	52.0%	45.5%

- 7) On page 51 of the Base Prospectus in sub-section '*Key financial information regarding the Guarantor*' of section '9. THE GUARANTOR' link to the latest Guarantor's financial information and the audit report (year 2021) is added:

[Audited Guarantor financials 2021](#)

## RIGHTS OF WITHDRAWAL

Pursuant to Article 23 (2) of the Prospectus Regulation, Investors who have already accepted to purchase or subscribe for any Notes to be issued under the Programme before this Supplement is published, shall have the right to withdraw their acceptances, provided that the new factor, material mistake or material inaccuracy was prior to the final closing of the public offer and delivery of the Notes. Taking into account all the Notes are delivered to the Investors immediately upon acceptance of their order to buy Notes on the Platform, rights of withdrawal do not apply to the Investors.

## RESPONSIBILITY

Section 'AMENDMENTS TO THE BASE PROSPECTUS' (except information about Mintos in section '1. GENERAL DESCRIPTION' sub-section '*What is Mintos?*') of this Supplement is prepared according to the information provided by the Lending Company. As prescribed in the Base Prospectus section '3. GENERAL INFORMATION' the Lending Company accepts responsibility for the information contained in the certain sections of Base Prospectus, including but not limited to the section '7. THE LENDING COMPANY'.

The Issuer, considering information in the sub-section 'Responsibility for this Base Prospectus' of the section '3. GENERAL INFORMATION' of the Base Prospectus, accepts responsibility for the information contained in this Supplement and declares that, to the best of its knowledge, the information contained in this Supplement is in accordance with the facts.